
DISCRETIONARY HOUSING PAYMENT POLICY

**Responsible Cabinet Member(s) - Councillor Bill Dixon,
Community and Public Protection Portfolio**

Responsible Director(s) - Cliff Brown, Director of Community Services

Purpose of Report

1. To seek formal approval from Council for the recently revised Discretionary Housing Payment Policy in Housing Benefit.

Information and Analysis

Background

2. Housing and Council Tax Benefit is paid to many thousands of claimants and landlords each year through the Housing and Council Tax Benefit Schemes. The amount payable is based on the claimant's financial and family circumstances and does not always cover the full amount of the rent and/or Council Tax, so the claimant has to use other means to meet the shortfall or move to cheaper accommodation. In exceptional circumstances, the claimant may not be able to do so for a number of reasons, for example:-
 - (a) where the Rent Service value a privately rented property below the actual market rent, restricting the amount of Housing Benefit payable; and
 - (b) where a person's circumstances suddenly change leaving them with financial difficulties; or
 - (c) where a person has unusually high expenditure due to illness or disability, not met through other welfare benefits.
3. A scheme exists, called Discretionary Housing Payments, allowing the Council to top up payments of Housing and Council Tax Benefit. This is designed to alleviate these periods of exceptional hardship, where this puts a person's home at risk. However, the Discretionary Housing Payment fund is strictly cash limited and so the Council must use its discretion to target those areas where it considers residents are in the most need.

Policy and Strategy

4. Whilst the scheme works very successfully for short term situations there is a risk that using the scheme to address long term issues will reduce the Council's flexibility to assist those most in need. It is, therefore, proposed that such applicants will in future be initially referred to the Housing Options Service for assistance in finding suitable alternative accommodation so they do not need to rely on the Discretionary Housing Payments. Housing Options Officers will discuss the various alternative types of accommodation available and assist in accessing appropriate accommodation to meet the needs of the individual, which may include signposting to other agencies.
5. In order to ensure a consistent and transparent approach is taken when dealing with these payments, the Benefits Section has produced a Discretionary Housing Payment Policy (**Appendix 1**). This document has been produced in line with national best practice, the requirements of the Department for Works and Pensions (DWP) and the Council's Homelessness Strategy. It details the Council's commitment to provide an efficient and effective Discretionary Housing Payment Service and the methodology adopted by the Council in administering these awards. It is designed to be made widely available to both staff and customers.

Financial Implications

6. The DWP allocate an amount each year to the Council to cover expenditure on Discretionary Housing Payments and an upper limit which cannot be exceeded. For 2006/07, the DWP allocation for Darlington is £27,414 with an upper limit of £68,535. By maximising the opportunities available from the Housing Options Service it is anticipated that there will be no financial impact on the current revenue budget as projected expenditure is not expected to exceed the DWP allocation.
7. However, if demand does exceed £27,414 the Council cannot withhold awards of Discretionary Housing Payments solely on the basis that the Government allocation has been exhausted. These amounts will then have to be found from the General Fund.

Outcome of Consultation

8. No consultation has taken place on this matter.

Legal Implications

9. This report has been considered by the Borough Solicitor for legal implications in accordance with the Council's approved procedures. There are no issues which the Borough Solicitor considers need to be brought to the specific attention of Members, other than those highlighted in the report.

Section 17 of the Crime and Disorder Act 1998

10. The contents of this report have been considered in the context of the requirements placed on the Council by Section 17 of the Crime and Disorder Act 1998, namely, the duty on the Council to exercise its functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent, crime and disorder in its area. It is not considered that the contents of this report have any such effect.

Council Policy Framework

11. The issues contained in this report are required to be considered by Council.

Recommendation

12. Council are requested to formally approve the Discretionary Housing Payment Policy.

Reasons

13. The recommendations are supported by the following reasons:-
 - (a) To enable the administration of Discretionary Housing Payments to be maintained in accordance with financial procedural rules;
 - (b) To enhance the Council's ability to alleviate hardship amongst residents.

**Cliff Brown,
Director of Community Services**

Background Papers

- (i) Discretionary Financial Assistance Regulations 2001 (SI 2001 No. 1167)
- (ii) Discretionary Housing Payments (Grants) Order 2001
- (iii) DWP HB/CTB Circular S5/2001
- (iv) DWP HB/CTB Circular S2/2006
- (v) Darlington's Homelessness Strategy

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